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THE CHINA POLICY

OF

SENATOR HENRY M. JACKSON

STAFF REPORT

TO THE

COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

DECEMBER 1983

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MEMORANDUM OF TRANSMITTAL

To: Members of the Committee on Armed Services.
From: Senator John Tower.

I deeply regret that Senator Jackson is not alive today to submit on his own behalf the accompanying report entitled "The China Policy of Senator Henry M. Jackson". I have come to realize, even more since his untimely death, how much I valued his friendship and relied on his counsel. I am therefore honored to file this brief report prepared by three assistants to Senator Jackson following their August visit with the Senator to China and his sudden passing on September 1.

At the invitation of the People's Republic Senator Jackson was in China from August 15 to August 28. This was his fourth trip to the People's Republic and gave him the opportunity to continue his traditionally forthright discussions with Chairman Deng Xiaoping and other top leaders in Beijing. He also visited for the first time the cities of Harbin, Daqing and Dalian in the Northeast.

Following his previous China trips Senator Jackson wrote reports on his main findings, to be shared with his Congressional colleagues and the American public. This final trip report is written by three aides who were with him in China in August: (1) Dr. Dorothy Fosdick was the Senator's advisor on national security affairs for twenty seven years and accompanied the Senator on his three earlier China visits; (2) Professor Kenneth Pyle, Director of the Henry M. Jackson School of International Studies at the University of Washington, had accompanied the Senator on his 1979 China trip and worked closely with the Senator for a number of years as an adviser and friend. Senator Jackson had taken a keen interest in developing the School which now bears his name; and (3) Professor Michel Oksenberg of the University of Michigan and Senator Jackson developed a close relationship during Oksenberg's years on the National Security Council staff during the Carter Administration; this continued during the Reagan Administration.

I strongly recommend a careful reading of this report as a timely summary of the China policy of our distinguished colleague Senator Henry M. Jackson.

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THE CHINA POLICY OF SENATOR HENRY M. JACKSON

SENATOR JACKSON AND CHINA

Senator Henry M. Jackson had a deep and abiding interest in China. He visited China four times in the past nine years, in 1974, 1978, 1979, and 1983. He met with the highest Chinese leaders on each occasion and had wide-ranging discussions with them on foreign and domestic affairs. He often recalled with speccial satisfaction his meeting in the hospital with Chou En-lai in August 1974, shortly before the Premier's death, when Chou spoke of his strong hopes for mutually beneficial Sino-American cooperation. And the Senator relished the opportunity on all of his four visits to meet at length with Chairman Deng Xiaoping and engage in their characteristically frank and spirited conversations.

Senator Jackson helped to host Deng Xiaoping during his visit to the United States in January–February 1979. He met frequently with the Ambassador to the United States from the People's Republic of China and encouraged his staff to meet regularly with other members of the Chinese Embassy. He sought regular briefings from the intelligence community about Chinese internal affairs and about Chinese intentions, capabilities, and strategies in world affairs. He consulted widely with and counted among his friends some of our Nation's leading academic experts on China.

When the Senator went to China, he did not content himself with conversations in Beijing. He allotted time to tour the country, visiting different regions as part of his effort to understand the historic problems the Chinese people faced in building a modern nation. He traveled to the areas which border on the Soviet Union—including Inner Mongolia and the remote province of Xinjiang—and became acquainted as well with such core provinces in the east as Shandong, Jiangsu, and Shanghai. At the time of his death, Senator Jackson was one of the most informed Americans on a nation that comprises one fourth of mankind.

His influence on our Nation's China policy during the past decade would be difficult to overestimate. His voice was respected throughout the Congress in this as in so many other areas. Less known is the impact he had on the executive branch. He wrote timely personal letters to our recent Presidents and Secretaries of State when he sensed policy was going awry. He met in confidence on several occasions with Presidents Nixon, Ford, Carter, and Reagan to convey his understanding of the importance of China in our foreign policy. He played a significant role behind the scenes in such initiatives as recommending Dr. Zbigniew Brzezinski's pivotal May 1978 trip to China, securing submission and passage of the Trade Agreement with China in the fall of 1979 providing for the extension of most-favored-nation treatment and access to official credits, and encouraging the visits of Secretary of

State George Shultz and Secretary of Defense Caspar Weinberger to China in 1983. He elicited an important letter from President Reagan to the Chinese leaders which he delivered in August 1983, the text of which has been released by the White House and is appended to this report.

Senator Jackson died five days after coming home from his last trip to China. On his return to Seattle, he transmitted the main messages which he wanted to communicate in personal phone calls from Seattle to Judge William Clark, Secretary Shultz and Secretary Weinberger. And he had arranged when he was back in Washington, D.C. to brief all three in more detail about his findings.

Fortunately, the Senator had spoken to the main issues before us in the penultimate press conference of his life, held in the American Embassy in Beijing on August 27, 1983. The text of that press conference was introduced into the Congressional Record by Senator Stevens on September 14 and appears at the end of this report.

It is safe to say that Senator Jackson would have been pleased with the main trends in Sino-American relations since his death. The successful visits of Chinese Foreign Minister Wu Xuequin to Washington and Secretary Weinberger to Beijing emphasized many of the themes which Senator Jackson had recommended. He would have welcomed the announcement of Premier Zhao Ziyang's forthcoming visit to the United States, to be followed by President Reagan's journey to China. The Senator had encouraged both steps.

Given all the circumstances, this final trip report addresses not the transitory Sino-American issues of the day but explains the underlying assumptions of Senator Jackson's approach to China—the enduring basis for the Senator's China policies.

THE UNDERLYING APPROACH

Senator Jackson viewed China with deep respect both for its long term contribution to human civilization and for its more recent achievements in attaining national unity. Early in his life he came to appreciate the talents of the Chinese people and noted the capacity of many Chinese to endure great hardship. He recalled a weak China whose territories were the object of foreign prey, and he admired the People's Republic for restoring Chinese sovereignty over Xinjiang in the northwest and Manchuria in the northeast.

This underlying respect was one reason that he believed he elicited the confidence and trust of the Chinese. He felt the Chinese were quick to spurn those who approached them in a patronizing fashion. But he did not adopt a servile posture either. He was disturbed by the injustices and limits on human rights within China, and he raised special emigration and other hardship cases with the Chinese authorities in Washington, D.C. and in Beijing. However, he felt overt pressure would not rapidly improve things. Rather, recognizing that the Chinese political system in part reflected deep tendencies of Chinese culture, he believed that improvements would come as China developed economically and increased contact with other countries. On his last trip, the Senator was impressed with the major economic reforms now being tried by Chairman Deng and his associates to stimulate individual incentive in both agriculture and industry, he was struck by the

new housing being built everywhere, and he sensed what he called "an increasing openness to the outside world." On all his visits, the Senator sought to identify Chinese strategic vulnerabilities and economic inefficiencies.

Then, confident that the Chinese leaders understood his underlying respect for them, Senator Jackson was frank in his criticisms of those aspects of Chinese policy with which he disagreed or which he thought harmed China. He was fond of quoting one of the norms of the Senate to the Chinese leaders with whom he spoke: "We can disagree without being disagreeable." In this spirit of candor, for example, he expressed to Chinese leaders his basic disagreement with their policy on the Middle East. He criticized Chinese energy waste and chastized the Chinese for rhetoric which placed the United States and the Soviet Union in the same "hegemonistic" category. Early on, he warned the Chinese of the threat which the Soviet Union would pose to them in Vietnam and he encouraged their leaders in 1974 to focus on development of their off-shore petroleum reserves and in 1983 to pay more attention to management of technology transfer.

His Chinese friends apparently carefully considered this and other counsel the Senator provided. They did so not just because the Senator clearly respected them but because he took them seriously as a country of global importance. In his public remarks, his conversations with the Chinese, and his private discussions with leading Americans, Henry Jackson stressed the constructive role which China plays in the maintenance of the global balance-of-power. Above all, the Senator was a realist in the area of international politics, and he repeatedly noted that the Soviet Union devotes roughly twenty-five percent of its defense effort to its Far Eastern theater, much of which is arrayed against China. Any diminution in Chinese resolve would enable the Soviets, if they chose, to redeploy this effort elsewhere. The Senator was also sensitive to the concern of Chinese leaders that U.S.-Soviet arms control talks might end up with agreements increasing the already substantial missile threats to China. He was among the first Americans to pledge resistance to any agreement that sanctioned taking Soviet SS–20s out of Europe and adding them to those already adjacent to the People's Republic.

The Senator did not take China's current Soviet policy for granted. He questioned his Chinese interlocutors, his aides, and the Washington intelligence community incessantly about the possibilities of significant improvements in Sino-Soviet relations. And he was concerned that within the Chinese leadership there could be factions more favorably disposed toward the Soviet Union than are China's present top leaders.

At the same time, he was basically confident that as long as the United States pursued an intelligent policy toward China—meaning abiding by our commitments and not humiliating Beijing over the Taiwan issue—the underlying reality would continue to propel the United States and China together. That is, the Senator believed that one of the fundamental trends of our era—the expansionist proclivities of the Soviet Union—threatened both American and Chinese interests.

As he often told his friends, he derived this lesson from history. The United States has long had an interest in a strong, independent and

unified China which contributes to the peace and stability of the Asia-Pacific region. The United States has no reason to threaten China. But the Soviet Union, as the Czars before it, cannot welcome the prospect of a strong China at its doorstep. The kind of China which serves Soviet interest is either a unified China under Soviet domination, as the Soviets sought to achieve in the 1950s, or a weak China against which the Soviets can successfully pursue their historic interests in Xinjiang, Mongolia, Manchuria, and Korea. Under normal circumstances, China will seek closer relations with a non-threatening sea power from afar than with its northern neighbor. As a result, both Washington and Beijing are likely for the years ahead to benefit from consultations about our foreign policies, so that our separate actions in the many areas where our interests overlap would be mutually supportive.

Because Senator Jackson took the Chinese seriously, his conversations with them did not dwell on the inevitable, petty annoyances of the moment. He sought to focus the discussions on broader strategic concerns: their respective assessment of Soviet capabilities and strategies, Soviet-American relations, the North Atlantic Treaty Organization, the Middle East, South Asia, Southeast Asia, American and Chinese strengths and vulnerabilities. Only after the convergence in strategic views became evident and the continued need for Sino-American cooperation was acknowledged did the Senator feel emboldened to address bilateral issues. He assumed that the bilateral relationship would not flourish unless the strategic setting was perceived to give incentive to both sides to solve such thorny problems as commercial relations. Thus, only toward the end of his conversations with Chinese leaders did he raise such matters as Chinese purchase of American agricultural commodities or Sino-American cooperation in the development of China's energy resources.

Because of Senator Jackson's reputation as something of a "hard-liner" on the Soviet Union, it was sometimes inferred that his interest in China was solely motivated out of his concern for the Soviets: Use the Chinese against the Russians. To the contrary, in his communications with four Presidents, he continually warned against approaching the Chinese tactically as a ploy against Moscow. He sensed that such an approach would earn Chinese scorn and distrust; they would bitterly resent efforts to manipulate them or use them for the end purpose of improving Soviet-American relations. For this reason, he was occasionally critical of Nixon, Ford, Carter, and Reagan moves which appeared to be tactical in nature.

To be sure, the Senator realized what is abundantly evident—our respective, adversarial relations with Moscow brought us closer together. But, in his view, this could not and should not be the sole basis of a constructive, enduring Sino-American relationship. Senator Jackson believed that the rise of China was an important feature of our era. A century of Western intrusion, civil war, and invasion had come to an end in 1949, and this nation was now probably embarked on a sustained period of growth which would propel it to the forefront of the world's nations.

Interestingly, the Senator did not express alarm at this development. He believed that, in contrast to Russia, China basically historically pursued defensive and non-aggressive foreign policies. Moreover,

he argued, for China to fail in its developmental objectives would invite the same destabilizing competition among the powers for influence over a weak China as in the late 1800s and early 1900s. Further, since China quite likely would develop with or without American involvement, though at a slower pace, would it not be better for the United States to be involved than not involved? For all these reasons, the Senator attached importance to the forging of extensive economic, scientific, and cultural ties between China and the United States. He urged American assistance to China's modernization effort.

To summarize, the approach which Senator Jackson advocated the United States pursue toward China was based on these principles: respect, candor, appreciation of China's global role in world affairs, recognition of the long-term, historic significance of Sino-American relations, eschewal of any temptation to use China tactically, and willingness to assist in the economic development of China.

JACKSON'S POLICY PREFERENCES

Senator Jackson also left a clear record concerning his stance on three controversial dimensions of Sino-American relations: (1) the desirability and extent of strategic cooperation with China; (2) the degree to which the United States Government should facilitate technology transfer to China; (3) the Taiwan issue. His views on each of these areas, based on the record, are summarized below, recognizing that these views do not necessarily coincide in every respect with those of the writers of this report.

Strategic cooperation

The United States should seek a continual dialogue with China's leaders about all aspects of world affairs. Where possible and appropriate, as in Indochina, we should be particularly sensitive to Chinese security concerns, and we should expect the Chinese to demonstrate equal sensitivity to our interests. To achieve the desired degree of convergence in our respective foreign policies requires frequent, consultations among the leaders of our two countries. A particularly fruitful area of enhanced cooperation is the sharing of our respective estimate of the military capabilities of our common adversary. The development of regular contact between our defense establishments is also desirable.

However, the moving of our relations into the area of extensive military sales should be approached with caution and reservation. The Chinese are unlikely in the end to purchase a great deal; their commitment to retaining their independence means they will not wish to become dependent in any significant measure upon us. Moreover, there is no swift corrective to China's eroding conventional military capability against the Soviets. Finally, we should not look to China to remedy American military inadequacies. The cornerstone of American security in the Western Pacific must remain our own ability to project our strength in the region.

Thus, the objective in developing strategic cooperation with China is to expand our mutual understanding, to share intelligence, and where our interests are parallel, to pursue separate but re-enforcing policies. We should seek neither an alliance or close alignment with

China; their leadership is uninterested in a relationship of that proximity.

Cooperation in technology

This is the cutting-edge issue in Sino-American relations and is likely to remain so throughout the 1980s. The President's decision to treat China as a friendly, non-aligned country for purposes of export control is to be welcomed. Effective implementation of the decision is essential. It is not necessarily in China's interest, however, to purchase the most sophisticated and expensive technologies. Rather, China should be encouraged to import those technologies and equipment which are appropriate, e.g., which meet specific needs and which can be easily absorbed.

The United States should be willing to provide disinterested assistance to help the Chinese make the right choices in the import of foreign technology. We should assist, if the Chinese wish, in upgrading Chinese management abilities. The National Center for Industrial Science and Technology Management Development in Dalian—now supported in part by the Department of Commerce—which Senator Jackson visited in August 1983 is precisely the kind of project in which the United States should be engaged.

Taiwan

The leaders of China do not fein an interest in this issue; they have genuinely strong emotions about the Taiwan issue which Americans cannot ignore. The United States has stated on many occasions that we will pursue a "one China" policy. That is, we acknowledge there is but one China and Taiwan is part of it. This formula precludes the United States from seeking in anyway to create an independent Taiwan or permanently to detach Taiwan from the mainland. The United States must avoid arousing Chinese suspicions, always near the surface in any case, that our real policy is a "two China" or "one China, one Taiwan" policy.

The welfare of the people on Taiwan will best be advanced through expanding Sino-American ties, which reduce Chinese incentive from opposing an American presence in the region. Ultimately, the welfare of the people on Taiwan will be advanced through a peaceful reconciliation between the authorities in Beijing and Taipei, though this is a matter for the Chinese to settle and not for our involvement. In the final analysis, access to American arms does not guarantee Taiwan's peaceful future.

In Senator Jackson's view, American arms sales to Taiwan represented an anomaly within the context of America's commitment to a one China policy. In his Beijing press conference, he therefore advocated an expeditious ending of American arms sales to Taiwan, in the light of Beijing's own efforts to resolve the issue peacefully. Senator Jackson believed that the United States could not long reconcile its commitment on the one hand to the notion that Taiwan is part of China and on the other hand that the United States could freely sell arms to the island. The Senator believed the August 17, 1982 Joint U.S.-P.R.C. communiqué on U.S. arms sales to Taiwan firmly committed the United States to the reduction and ultimate termination of arms sales to Taiwan. This commitment, in his view, must begin to be fulfilled.

Senator Jackson had one other gnawing concern worthy of mention. He believed our Nation lacked an adequate understanding of China. He spoke with deep regret of the twenty years of estrangement and virtual noncommunication engendered in part by the excesses of the McCarthy period. He considered the American failure to understand the implications of the Sino-Soviet dispute one of this Nation's greatest intelligence fiascos. He complained that the intelligence community had too few officers who possessed the requisite knowledge of the Chinese language, culture, and history. He felt that an extensive and protracted immersion in the civilization one studied was necessary if a scholar was to achieve any real understanding. Senator Jackson, in short, was a strong supporter of foreign area studies both within and outside the government, and he was appalled by the erosion in our national capabilities in recent decades.

Perhaps this report is best concluded by recalling how Senator Jackson spent one of his last days, in Harbin, the capital of Heilongjiang Province in northeast China. Henry Jackson went to Manchuria to acquire a "feel" for this region that bordered on the Soviet Union. He had read a great deal about the history of the area—of its undetermined future at the turn of the century, of the ensuing struggle among Russia, Japan, and China for supremacy in Manchuria, and of how China eventually won the region primarily through the migration of the Han nationality from the poverty and war struck provinces to the south. The Senator also recalled how, in the mid 1920s, over 100,000 Russians had accumulated in Harbin—those who came in the 1890s and 1900s to manage the Russian built Chinese Eastern Railway, then the white Russians fleeing the revolution, and finally the Red Russians in the mid 1920s protecting Soviet interests.

Henry Jackson enthralled his traveling companions as he recounted this history at breakfast. Then, he asked his Chinese hosts to take him on a tour of the city, so he could better envision and understand its history. He stumbled upon an old and recently refurbished protestant church and had a moving meeting with the pastor. He wandered in a teeming market place. He looked at a monument to Soviet soldiers who "liberated" Harbin from Japanese control in 1945.

He was one of the senior members of the United States Senate, many thousands of miles from home, seeking to understand the enduring nature of the Sino-Soviet relationship upon which his Nation's security partially rests. It underlines why Henry Jackson's views on American China policy should be remembered and be taken seriously.

APPENDIX

THE WHITE HOUSE,
Washington, August 12, 1983.

His Excellency DENG XIAOPING,
Chairman, Central Advisory Commission, Beijing.

DEAR CHAIRMAN DENG: I have asked Senator Jackson to bring you my personal respect and my best wishes for your continued good health. Senator Jackson, whose counsel I highly value, is making his fourth trip to the People's Republic of China. He has had a special interest in China for many years and is particularly proud of his record of useful meetings with you.

The relationship between our two countries is of great importance. I regard these contacts between senior leaders of our Executive Branch, and both parties of our Congress, and officials of your Government as being of particular significance in developing mutual understanding. I will be very interested in whatever comments and suggestions emerge from your discussions with the Senator which you may wish to convey to me.

For similar reasons I am confidently looking forward to a further enhancement of our bilateral-relations as a consequence of the forthcoming visits by Secretary Weinberger to China and by Foreign Minister Wu to the United States. We are also hopeful that an early visit to this country by Premier Zhao Ziyang can be arranged.

Last Saturday I told the American people in my nationwide radio address that I was heartened by the textile agreement which our countries had just reached in Geneva. I see this not only as evidence of a willingness of both sides to compromise in an area of mutual economic benefit to our two countries, but also as yet another indication of our increasing ability to resolve sometimes thorny problems by sitting down together and working them out, away from the glare of publicity.

All of these events bode well for continuing growth in our relations. This relationship, as we have observed so often in the past, serves not only our own interests but the interests of peace and stability in Asia and in the world.

Sincerely,

RONALD REAGAN

[Press Conference]

SENATOR HENRY M. JACKSON, U.S. EMBASSY, BEIJING, CHINA, SATURDAY, AUGUST 27, 1983

Senator JACKSON. I have had over twenty hours of discussion with Chinese leaders in Beijing and the Northeast. I have visited several communes, factories, including the large Daqing complex in the Northeast. This is my fourth trip; 1974, 1978, and 1979.

I brought with me on this visit a special letter from President Reagan to Chairman Deng Xiaoping which conveys the importance which the President attaches to Sino-American relations.

Here are my five major impression from this two-week visit:

My major finding is that both sides must intensify their consultations, both on matters of common strategic concern and at the bilateral level as well. A good deal of misunderstanding exists on both sides at present and both sides could pay more attention to the rhetoric about each other. The opportunity is now present to expand our relations. I believe we have weathered a very difficult period, but to seize the opportunities before us requires much more frequent discussions on such issues as arms reductions, the strategic triangle, NATO, the Middle East, Africa, and Southeast Asia and Taiwan.

A second observation: The underlying factors which brought our two countries together remain in place. We have an interest in a strong secure independent China which contributes to the peace of the Asia-Pacific region. China now plays an important role in maintaining a global balance of power. China retains an interest in expanding Sino-American relations as a counterbalance against the Soviet Union and as a source of technology.

A third observation: The Taiwan issue continues to complicate our relations with China. The leaders of the People's Republic attach great importance to the reunification of China and their feelings on this issue, in my judgment, should not be underestimated. It is important that both sides fully implement the August 17 communiqué

Fourth comment: I am impressed by the internal changes in China over the past four years. The policies of Chairman Deng and his associates are having a dramatic effect on the economy and I sense an increasing openness to the outside world.

A final observation: Our bilateral relations are at an important stage. President Reagan has made several major decisions to improve relations with China and he is now committed to a one-China policy. The visits of Secretary Weinberger and Foreign Minister Wu, if well planned, can advance our common interests. That concludes my statement. Questions?

QUESTION. In addition to the arms sales to Taiwan issue, what other issues did Minister Deng mention are thorns in our relationship?

Senator JACKSON. I believe that the two major immediate issues are indeed Taiwan and the question of the details on technology transfer. As you know, they are yet to be worked out in depth. However, we have made that strategic decision of going from P to V, meaning that the People's Republic is now in the friendly category as contrasted with the previous rules and regulations. There are other issues, but those are the two big ones as I see it.

I was especially pleased with the Chairman's view of the world and I think—as it relates to the strategic side—I have not detected any change since I talked with him in 1979 on those fundamental points that relate to the strategic balance.

QUESTION. You said in your statement that President Reagan is now committed to a one-China policy. What specifically made you say that?

Senator JACKSON. I was very disturbed when the new administration came to office. I was concerned because the President had made certain statements during the course of the 1980 election. We know, historically speaking, that when Presidents assume authority they have an unusual ability to adjust to reality. I should say that the President has come a long way and I have made this clear to the leaders that in my judgment the President is committed to a one-China policy.

I have talked with Chairman Deng about the letter, which I regret cannot be made public, at least at this time. It expresses a feeling of warmth toward China that the new China News Agency referred to as being pleasing. But the President and his Secretaries of State and Defense are now in agreement, I believe, on Taiwan.

Speaking personally, I want to expedite the ending of the arms sales so that we can at some point indicate when that will come, both from a quantitative and a qualitative standpoint. I want to emphasize that in my view the August 17 communiqué is a long step forward that corroborates what I have just said in terms of a change of policy toward China.

QUESTION. In your discussion about the strategic view, did the question of the Sino-Soviet talks or the forthcoming visit here by a Soviet Deputy Foreign Minister come up? How was it handled?

Senator JACKSON. I did not, or we did not get into any specific situations. But let me state in general terms what I see the current situation to be. For some time now the United States and the People's Republic have certain interests that are parallel. Those interests include a strong and independent China. They include a strong NATO. They, the government, support those two fundamental concepts. The Chinese contribution is enormous because the Soviets have a very large force along their border with China. This ties up a large force that would otherwise be deployed elsewhere in the world. On the strategic side, I see a cooperative American and Chinese adherence to the concept that is as old as time, and that's the doctrine of the balance of power. I see no change in those fundamentals.

Now, you may have problems where we disagree, Middle East, Africa to name some. And I want to emphasize, too, that I expect that there will be an ongoing expression of differences from time to time. But I want those differences to ad-

dress collateral issues and not strategic issues in which the peace of the world rests in the balance.

QUESTION. Senator, the members of the House Armed Services Committee were here last week, you're here this week, are these visits in any way related to Weinberger's trip here? Do you anticipate that when he comes here there will be discussions initiated by either side about U.S. arms sales to China, either arms or military technology? Thirdly, what would be the congressional reaction to such sales?

Senator JACKSON. May I say that my visit is not related in any manner, shape or form to the Secretary of Defense visit.

I do believe that Secretary Weinberger's visit is an important one, and I believe a number of useful things can be addressed, especially some of the problems in more detail as pertaining to technology transfer, because technology transfer as you know is a many-sided issue in which both military application and commercial application can be involved with a given transfer. But I do believe that his visit is important and I think there are opportunities for both countries to exchange ideas. But I wouldn't want to go beyond that because the Secretary will be here the latter part of September.

QUESTION. What will be the congressional reaction to a Reagan administration initiative to start pumping a large-scale military-related technology into China?

Senator JACKSON. I don't see that happening. I think it's a "suppositious" case, an iffy case.

QUESTION. Did the question of trade come up? Sino-U.S. trade has dropped sharply in the last four or five months. Did Deng say anything about China buying more or wanting to export more to the United States?

Senator JACKSON. We do have an issue on the trade side dealing with wheat and corn. Namely, China is committed to purchase this year six million tons and thus far they have only purchased 2.6 million tons of wheat and corn. I am certain, or at least hopeful, that they will adhere to that agreement, and I am hopeful that they will move expeditiously to honor that agreement. Failure to do so could cause new tensions and new problems with the United States.

We are delighted, of course, and we saw evidence, that they are having bumper crops. But that means they will have more cash to buy other things—while I don't want to get parochial about my own state—maybe, airplanes. And they have a very nice balance of payment situation. I think that up until July, China has over 12 billion reserve in foreign currencies. By the end of the year, this reserve is going to be 18 billion. That reserve is not going to last indefinitely, as they inevitably must increase their purchases abroad. They are going to run deficits if they are really investing in new capital, new plant, new equipment.

QUESTION. Did you get the impression that the Chinese believe that Reagan is pursuing a one-China policy or do they still have their doubts?

Senator JACKSON. I can't answer that question adequately. I believe the people that I talked to place substantial credence in that commitment. I pointed out that I am the opposite political party to Mr. Reagan. I didn't campaign for him, my candidate lost but I made the point that a bipartisan American foreign policy is absolutely vital to an American President. I believe that President Reagan is committed to that doctrine.

I have been in Congress long enough to know that an American President cannot be effective in this troubled world unless he can elicit the support across the political aisle. That has been my position since the days of Roosevelt, Truman and on down, every American President from both political parties since the 1940's. I have made and emphasized that point with the Chinese leaders and they seemed to respond in a pleased fashion.

QUESTION. Senator, were you asked specifically what the present congressional sentiment was toward the Taiwan Relations Act?

Senator JACKSON. Well, the source of the Taiwan Relations Act is a fact that the nationalists were allies of the United States for a very long period of time, and there continues to this day a residual feeling of support for Taiwan. Americans can be contradictory, you know. On the other hand they say obviously there can only be one China and that policy was established in the Shanghai Communiqué of 1972 when Mr. Nixon was President. I think there are torn fee'ings about a commitment that we made a long time ago when the problem was, in the minds of many, a bit more simple.

My own personal judgment is that the Congress is moving realistically toward a one-China policy and that means that the two, Taiwan and China, can be reunified peaceably. The strong feelings of the Chennault era, the old China lobby,

I see declining very rapidly. But the sentiment toward Taiwan is part of our, I guess, puritan ethic and that is that we made a commitment. Yet we are the only nation to my knowledge that has any kind of an ambiguous relationship—not in a juridical sense—set up in a way in which no one knows what it means. Sometimes you try and do it that way.

I think the critical thing is that Taiwan is going to exacerbate our relations until we can reach the point where there will be indeed a final resolution on the sale of arms qualitatively and quantitatively. That process is now under way and the August 17 communiqué, of which the administration is a part, makes it very clear that there has to be an ending. As I say, we are going to have to expedite that ending and Chairman Deng's interview with Professor Yang is rather revealing and it is certainly an indication how far the People's Republic has been willing to go to reach an accord.

I believe it can be done. China is not interested in beating Taiwan and it is already beginning to become a Hong Kong any way in terms of trade with the mainland. To China this is an indication of how the market system is working.

QUESTION. Did any question of Hong Kong come up?

Senator JACKSON. No.

QUESTION. In terms of reunification?

Senator JACKSON. No, it did not.

QUESTION. What are the prospects for Premier Zhao going to the United States and the President coming to China?

Senator JACKSON. Well, I think it's very important that the Premier come to the United States after, of course, the visit of the Foreign Minister which is scheduled in October. It is my personal judgment, and I underline personal judgment, that things are improving for that visit and some time after the first of the year, hopefully, the Premier will be reciprocated by the President of the United States. It is important for our relations with one another, but I detected no hostility on that visit and on the other hand I detected an openness and a sense of warmth about what might happen from such a visit.

QUESTION. Do you think then that Premier Zhao will be going this calendar year?

Senator JACKSON. I would hope so. I think it would not be the wisest thing for the President to come over here right in the middle of an election. That's my personal opinion because then the charge will be that he's over here in order to aid his own reelection efforts, and I feel the wise course would be for the Premier to be able to visit the United States sometime in November or December. I would like to see that personally and right now I think things are moving, no decision made, but the movement is favorable.

QUESTION. Would that help the President's reelection?

Senator JACKSON. Well, my recollection of Presidential history which is not necessarily (laughter) ancient, is that you never lose votes; you have a chance of gaining votes when you are dealing especially on issues that affect the peace of the world.

The President, I would assume, and I can't speak for him obviously, would like to come to China on the one hand as we enter into arms agreement on the other with the Soviets. I think the chances of an arms agreement have improved but we have a long way to go. Several weeks ago, I emphasized that I would insist that any SS–20's taken out of Western Europe not be placed adjacent to China because that would put China in a difficult spot. I was pleased that there is some movement in that direction on the part of Mr. Andropov's statement.

QUESTION. Did you discuss this with Mr. Deng?

Senator JACKSON. I would rather not get into that area. I am not sure that the Chinese view Mr. Andropov's statement in a totally favorable light. They are interested in it but there could be some catches in it.

QUESTION. I certainly share your view about SS–20's being moved to Eastern Europe. That must have come up.

Senator JACKSON. They were very pleased with the position that I had taken before Andropov's statement. We do have interests that are parallel and an attempt to simply move the threat out of Europe and into Asia pointed at China would violate that fundamental concept of parallelism. I believe that this administration would not be a party to that. I can only convey to you my own views and I personally will take a very strong position on it. That would upset the balance that we have so carefully crafted here between China and the United States that goes to the peace of the world.

QUESTION. Did you get a feeling from Mr. Deng or anyone else that you talked to or did they say outright that they are suspicious about whether or not for political reasons Reagan might be anxious to reach an arms control agreement?

Senator JACKSON. No. No comment on that at all by any of them. They may have their views but we didn't discuss it.

QUESTION. Did they discuss the U.S. pressure on Japan to increase its military spending?

Senator JACKSON. No. But over the years a strong and independent Japan has been part of that balance and I assume that that continues to be the policy because there has been no change in the fundamental elements of the strategic balance as viewed by the Chinese. Japan is a very important part of the balance in the Far East.

QUESTION. You think the Chinese feel that?

Senator JACKSON. Yes, I think they do. Now you get into a degree of strengthening Japan, but I think they realize that they are exposed in the Northeast and one of the conscious views that I came away with from the Northeast is that here is an area that is the industrial heartbeat of China. It is hard to believe that they produce eighty percent of all the lumber that is produced, over half of the oil that is produced. They produce a huge amount of light metals, aluminum and so on—a long list of industrial products that are vital to the security of the area. They are conscious of the history of that area, that Vladivostok until 1856 was indeed a part of China and that whole area was a part of China.

I have noted a special concern, not overtly, but when you ask probing questions. The Northeast is an area that is rich in industrial goods and raw material that is important for the long haul.

If you don't mind I have really just about come to the end. My voice is going but I don't want to cut anyone off.

QUESTION. The Chinese have said that the latest arms sales to Taiwan violated the August communiqué. Did they bring up that point with you? And what do you sense is the mood in Congress, do you think they will agree to decrease arms substantially in the next few years?

Senator JACKSON. It's not my impression, at least to me, that they have said it violates the August 17 communiqué. The Chinese want to see this thing, the supplying of arms, quantatively and qualitatively, coming to an end, and they are wondering whether that communiqué is going to be implemented fully. But they support the communiqué; and that Taiwan issue, I want to emphasize, is a pervasive issue as far as Chinese officialdom is concerned.

QUESTION. You mentioned about some hitches being involved in the Andropov statement.

Senator JACKSON. I don't want to go into the specifics on it. But I detect that the Chinese have reservations about the meaning of it. It is not one of those cure-alls for their problems with the Soviet Union by any means. I think it would be wrong to assume that this statement or the forthcoming visit by the Soviet Vice Foreign Minister are some new dramatic moves on the part of the Soviets that would change relations between the Soviet Union and China. That would be a mistaken interpretation, in my personal judgment.

QUESTION. How long did your meeting last and can you tell us anything about the Chairman's health?

Senator JACKSON. Our visit lasted about two hours and ten minutes. He has a marvelous sense of humor. I was kidding him about his smoking. He is 79 and I explained to him that I quit smoking when I was 12 and he thinks smoking is all right, if it's in the hands of the right person. My friend, Senator Jesse Helms, might change his attitude if he learns that the great leader of China supports cigarette smoking. He ought to try to get a testimonial.

But the Chairman, from everything I can see, appears to be in good health. I'm 71 and I hope I'm in that good shape at 79. That is the only way I can answer that. I mean he is sharp and can maintain a sense of humor. I think that means longevity of service to his native country.

QUESTION. Did he suggest in any way that he would like to give up his reigning position and fully retire soon?

Senator JACKSON. I must say I detected no evidence of any desire to retire. That has been bantered around a lot. I invited him to stay at my house in Everett, Washington when he comes over and he is taking that under advisement. Thank you very much.

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